

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5398 SB	<b>Title:</b> Court interpreter services
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## Estimated Cash Receipts

NONE

Local Gov. Courts *						
Local Gov. Other **		(596,558)		628,442		4,303,442
Local Gov. Total		(596,558)		628,442		4,303,442

## Estimated Expenditures

Agency Name	2013-15			2015-17			2017-19		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Administrative Office of the Courts	.5	0	0	.5	0	0	.5	0	0
<b>Total</b>	<b>0.5</b>	<b>\$0</b>	<b>\$0</b>	<b>0.5</b>	<b>\$0</b>	<b>\$0</b>	<b>0.5</b>	<b>\$0</b>	<b>\$0</b>

Local Gov. Courts *									
Local Gov. Other **			3,834,276			1,585,510			(4,872,504)
Local Gov. Total			3,834,276			1,585,510			(4,872,504)

## Estimated Capital Budget Impact

NONE

<b>Prepared by:</b> David Dula, OFM	<b>Phone:</b> (360) 902-0547	<b>Date Published:</b> Revised 2/26/2013
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\* See Office of the Administrator for the Courts judicial fiscal note

\*\* See local government fiscal note

FNPID 34632

FNS029 Multi Agency rollup

# Judicial Impact Fiscal Note

<b>Bill Number:</b> 5398 SB	<b>Title:</b> Court interpreter services	<b>Agency:</b> 055-Admin Office of the Courts
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

Account	FY 2014	FY 2015	2013-15	2015-17	2017-19
Counties					
Cities					
<b>Total \$</b>					

### Estimated Expenditures from:

STATE	FY 2014	FY 2015	2013-15	2015-17	2017-19
State FTE Staff Years	.5	.5	.5	.5	.5
Account					
State Subtotal \$					
COUNTY	FY 2014	FY 2015	2013-15	2015-17	2017-19
County FTE Staff Years					
Account					
Local - Counties					
Counties Subtotal \$					
CITY	FY 2014	FY 2015	2013-15	2015-17	2017-19
City FTE Staff Years					
Account					
Local - Cities					
Cities Subtotal \$					
Local Subtotal \$					
<b>Total Estimated Expenditures \$</b>					

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.

Legislative Contact: Sharon Swanson	Phone: 3607867447	Date: 01/28/2013
Agency Preparation: David Elliott	Phone: 360-705-5226	Date: 02/01/2013
Agency Approval: Colleen Clark	Phone: 360-704-4143	Date: 02/01/2013
OFM Review: David Dula	Phone: (360) 902-0547	Date: 02/01/2013

Request # administrat-2

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact on the Courts

This bill would expand payment for interpreter services to include additional legal proceedings where a non-English speaking person is a party, subpoenaed, summoned or otherwise compelled to appear.

Section 1 would amend RCW 2.43.030 to require appointment of an interpreter when a non-English speaking person is a party, subpoenaed, summoned or otherwise compelled to appear, and clarify the elements of "good cause" for using a non-certified or non-registered interpreter to include the circumstance that there are no interpreters registered in the language spoken by the non-English speaker.

Section 2 would amend RCW 2.43.040 to conform to the language of Section 1 and require that the cost of providing an interpreter is to be paid by the governmental body under the authority of which the legal proceeding is conducted.

Section 2 (4) (b) by January 1, 2017 the state must reimburse the appointing authority for one-half of interpreter payments.

Section 2 (5) requires appointing authorities to track and provide interpreter cost and usage data to Administrative Office of the Courts (AOC).

Section 3 would amend RCW 2.42.120 so that by January 1, 2017 the state must reimburse the appointing authority for one-half of interpreter payments

### II. B - Cash Receipts Impact

None

### II. C - Expenditures

The bill will have an impact on state expenditures estimated at \$1.1 to \$1.35 million per year in 2017, rising to \$2.2 to \$2.7 million per year in 2018 and beyond. These funds would be expended as grants to local jurisdictions to reimburse 50 percent of their interpreter costs. In addition there would be an additional .5 FTE estimated to cost \$42,264 per year for salary and benefits beginning with the effective date of the bill.

The first year of state reimbursement impact would be the 2017 fiscal year (FY), the state expenditure would begin on January 1, which is the half-way point in the FY so in 2017 the expenditure estimate will range from \$1.1 to \$1.35 million, in FY 2018 and beyond the full expenditure would occur.

#### REIMBURSEMENT OF INTERPRETER COSTS:

The expenditure estimate was obtained using two methods to provide the estimated range of expenditure costs and then removing the current Administrative Office of the Courts (AOC) budget for reimbursement. At present AOC budgets \$610,000 for interpreter services.

Method one found an estimated total expenditure for interpreter costs of \$5.6 million. A survey of local court interpreter practices was conducted in the fall of 2012. The survey included questions about funds spent by local courts for criminal and civil interpreter services. Approximately 150 of 200 courts responded including 33 of 39 counties representing about 75 percent of the state's population. Total future spending is likely higher than the survey provides. The survey result shows interpreter spending of \$5,660,731 annually, the state 50 percent reimbursement would be \$2,830,366. This is the least amount likely to be spent under the proposal. This number underestimates the expenditure of all civil interpreter costs because it only includes the current costs, and the only currently required civil interpreters are for participants that are declared indigent.

Method two found an estimated total expenditure of \$6.5 million for interpreter costs. To find this estimate a ratio of proceedings covered by current statute to proceedings that would be added was found. According to 2011 caseload data approximately one-third more non-covered superior court proceedings would be added. By applying that ratio to the total reported spending on criminal interpretation it is possible to derive an estimate for spending on non-covered proceedings. ( $\$4,905,417 * 133\% = \$6,524,276$ ) The state expenditure cost for one-half of the costs anticipated by the proposal would be \$3,262,138 per year.

The range of estimates for total state cost for reimbursement is between \$2.8M (method one) and \$3.3M (method two) per year, removing the current \$610,000 in reimbursement funding provides a future state expenditure estimate of \$2.2 to \$2.7 million.

Additional Administrative Office of the Courts (AOC) program staff:

Managing the court interpreter reimbursement program at current levels requires a significant amount of staff time. Staff develops and monitors contracts, evaluates and verifies data that is reported, audits participating courts to ensure accuracy in reported numbers, and provides technical support to participating courts. Full expansion of the program will require .5 FTE additional staff. This is estimated to cost \$42,264 per fiscal year beginning in FY 2014. Local governments will be expected to implement the changes in the bill on the effective date, Administrative Office of the Courts (AOC) will see increased need for registration and certification of interpreters and technical support to local jurisdictions at that time.

Please see also the local government note on the bill.

## Part III: Expenditure Detail

### III. A - Expenditure By Object or Purpose (State)

<u>State</u>	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years	.5	.5	.5	.5	.5
Salaries and Wages	35,748	35,748	71,496	71,496	71,496
Employee Benefits	6,516	6,516	13,032	13,032	13,032
Professional Service Contracts					
Goods and Other Services					
Travel					
Capital Outlays					
Inter Agency/Fund Transfers					
Grants, Benefits & Client Services				1,350,000	5,400,000
Debt Service					
Interagency Reimbursements					
Intra-Agency Reimbursements					
<b>Total \$</b>	42,264	42,264	84,528	1,434,528	5,484,528

### III. B - Expenditure By Object or Purpose (County)

<u>County</u>	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years					
Salaries and Benefits					
Capital					
Other					
<b>Total \$</b>					

### III. C - Expenditure By Object or Purpose (City)

<u>City</u>	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years					
Salaries and Benefits					
Capital					
Other					
<b>Total \$</b>					

**III. D - FTE Detail**

Job Classification	Salary	FY 2014	FY 2015	2013-15	2015-17	2017-19
Senior Court Program Analyst	71,496	0.5	0.5	0.5	0.5	0.5
<b>Total FTE's</b>	71,496	0.5	0.5	0.5	0.5	0.5

**Part IV: Capital Budget Impact**

## SOURCES:

Administrative Office of the Courts (AOC) interpreter survey conducted fall of 2012

Current Administrative Office of the Courts (AOC) interpreter services budget

Administrative Office of the Courts (AOC) caseload data for 2011

# LOCAL GOVERNMENT FISCAL NOTE

Department of Community, Trade and Economic Development

<b>Bill Number:</b> 5398 SB	<b>Title:</b> Court interpreter services
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## Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

### Legislation Impacts:

- ☒ Cities: For increased costs as a result of increased appointment of interpreters; for reimbursement of half the cost of interpreter services beginning January 1, 2017; for no longer being able to bill non-indigent persons for interpreter services
- ☒ Counties: Same as above
- ☐ Special Districts:
- ☐ Specific jurisdictions only:
- ☐ Variance occurs due to:

## Part II: Estimates

- ☐ No fiscal impacts.
- ☐ Expenditures represent one-time costs:
- ☐ Legislation provides local option:
- ☐ Key variables cannot be estimated with certainty at this time:

### Estimated revenue impacts to:

Jurisdiction	FY 2014	FY 2015	2013-15	2015-17	2017-19
City	(38,776)	(38,776)	(77,552)	498,198	2,225,448
County	(259,503)	(259,503)	(519,006)	130,244	2,077,994
<b>TOTAL \$</b>	(298,279)	(298,279)	(596,558)	628,442	4,303,442
<b>GRAND TOTAL \$</b>	4,335,326				

### Estimated expenditure impacts to:

Jurisdiction	FY 2014	FY 2015	2013-15	2015-17	2017-19
City	799,640	799,640	1,599,280	626,941	(2,290,076)
County	1,117,498	1,117,498	2,234,996	958,569	(2,582,428)
<b>TOTAL \$</b>	1,917,138	1,917,138	3,834,276	1,585,510	(4,872,504)
<b>GRAND TOTAL \$</b>	547,282				

## Part III: Preparation and Approval

Fiscal Note Analyst: Graham Parrington	Phone: 360-725-5033	Date: 02/26/2013
Leg. Committee Contact: Sharon Swanson	Phone: 3607867447	Date: 01/28/2013
Agency Approval: Steve Salmi	Phone: (360) 725 5034	Date: 02/26/2013
OFM Review: David Dula	Phone: (360) 902-0547	Date: 02/26/2013

## Part IV: Analysis

### A. SUMMARY OF BILL

*Provide a clear, succinct description of the bill with an emphasis on how it impacts local government.*

#### SUMMARY:

This bill would expand payment for interpreter services to include additional legal proceedings where a non-English speaking person is a party, subpoenaed, summoned or otherwise compelled to appear.

#### SECTIONS THAT WOULD HAVE LOCAL IMPACT:

Section 1 would amend RCW 2.43.030 to require appointment of an interpreter when a non-English speaking person is a party, subpoenaed, summoned or otherwise compelled to appear, and clarify the elements of "good cause" for using a non-certified or non-registered interpreter to include the circumstance that there are no interpreters registered in the language spoken by the non-English speaker.

Section 2 would amend RCW 2.43.040 to conform to the language of Section 1 and require that the cost of providing an interpreter is to be paid by the governmental body under the authority of which the legal proceeding is conducted.

Section 2(4)(b) would establish that by January 1, 2017 the state must reimburse the appointing authority for one-half the cost of interpreter payments.

Section 2(5) would require appointing authorities to track and provide interpreter cost and usage data to Administrative Office of the Courts (AOC).

Section 3(7)(b) would amend RCW 2.42.120 to require the state to reimburse the appointing authority for one-half of the cost of interpreter payments for hearing impaired persons that are witness or party to a court case, or "quasi-judicial proceeding" by January 1, 2017.

### B. SUMMARY OF EXPENDITURE IMPACTS

*Briefly describe and quantify the expenditure impacts of the legislation on local governments, identifying the expenditure provisions by section number, and when appropriate, the detail of expenditures. Delineate between city, county and special district impacts.*

#### SUMMARY:

This bill would have expenditure increase impacts for counties and cities for fiscal years 2014, 2015, and 2016 of \$1,117,498 for counties and \$799,640 for cities. Fiscal year 2017 would see net expenditure reductions of \$158,929 for counties and \$172,699 for cities. Beginning fiscal year 2018 and thereafter, counties would see \$1,291,214 in annual expenditure reductions and cities would see \$1,145,038 in annual expenditure reductions.

#### DISCUSSION:

AOC generated two estimates for the cost impacts of this bill. The first, using 2012 survey data from approximately 150 of 200 courts yielded a current cost estimate of \$5,660,731 annually, though AOC indicates that this number is "the least amount likely to be spent." AOC's second estimate used 2011 caseload data to estimate the costs of interpreter services statewide if the currently non-covered superior court proceedings were added that are included in this bill, and produced an estimate of \$6,524,276 in projected annual costs. An average of these two estimates is \$6,092,504  $((\$6,524,276 + \$5,660,731)/2)$ . Using this average estimate of \$6,092,504, and factoring in the 50 percent grant reimbursement rate under Section 2(4)(b), total interpreter costs for city and county courts would be \$3,046,252  $(\$6,092,504 \times 0.5)$ . Subtracting the \$610,000 that AOC already reimburses to some courts yields an estimated \$2,436,252 in annual expenditure reduction for local courts. AOC court survey data, which suggests that counties bear 53 percent of total interpreter costs, and cities, bear 47 percent of total interpreter costs, for an estimated expenditure decrease of \$1,291,214  $(\$2,436,252 \times 0.53)$  for counties and \$1,145,038  $(\$2,436,252 \times 0.47)$  for cities annually beginning fiscal year 2018.

However, there is a gap between the effective date of the bill, which would be 90 days after adjournment of the session in which the bill would be passed, and when the state would start reimbursing counties and cities for 50 percent of interpreter costs. AOC currently reimburses local jurisdictions for \$600,000. The latest date that the state could begin reimbursing counties and cities for interpreter costs would be January 1st, 2017. This would likely have significant expenditure impacts for local courts before January 1, 2017 due to the expansion of situations in which an interpreter must be provided, and requiring the local court to bear the full costs. Using AOC fiscal note figures, this could amount to approximately \$1,618,859 per fiscal year, beginning fiscal year 2014. Using AOC court survey data, which suggests that counties bear 53 percent of total interpreter costs, and cities bear 47 percent of total interpreter costs, this could mean \$857,995  $(\$1,618,859 \times 0.53)$  in additional costs for counties and \$760,864  $(\$1,618,859 \times 0.47)$  in additional costs for cities. However, local courts currently recover at least \$298,279 annually from non-indigent people requiring an interpreter, according to AOC court survey data, 87 percent of which is recovered by district and superior courts, and 13 percent by municipal courts; applying these percentages to the total amount recovered by local courts yields a loss of \$259,503  $(\$298,279 \times 0.87)$  annually for county courts, and a loss of \$38,776  $(\$298,279 \times 0.13)$

annually for municipal courts. This represents a loss of revenue and an increase in expenditures. Adding the increase in expenditures due to increased appointment of interpreters, and the increase in expenditures due to not being able to bill non-indigent persons for interpreter services could be approximately \$1,117,498 (\$857,995 + \$259,503) for counties and \$799,640 (\$760,864 + \$38,776) for cities for fiscal years 2014 through 2016. With the 50 percent reimbursement beginning January 1, 2017, half of the impacts for fiscal years 2014 through 2016 and half the impacts for fiscal year 2018 and subsequent years are combined to estimate the impacts for fiscal year 2017. Using half of the average of AOC's two estimates for reimbursements, subtracting half of the amount that AOC currently reimburses, and adding half of the cost of AOC's averaged estimates for the 50 percent reimbursement that begins January 1, 2017 yields a total cost expenditure reduction of \$158,929  $((\$1,291,214/2) - (\$1,117,498/2))$  for counties and \$172,699  $(\$1,145,038/2) - (\$799,640/2))$  for cities for fiscal year 2017.

There may also be some costs to local government related to tracking and reporting of interpreter cost and usage data to AOC. Data were not available to predict these costs, but it is assumed to be minor relative to the expenditure increases and reductions to local government as a result of this bill.

Additionally, it should be noted that rural courts face greater challenges in obtaining the services of interpreters for some languages, and the distances that would be reimbursed for the interpreter to travel to the court may be greater. This could be significant to rural courts before the 50 percent reimbursements begin on January 1, 2017.

## C. SUMMARY OF REVENUE IMPACTS

*Briefly describe and quantify the revenue impacts of the legislation on local governments, identifying the revenue provisions by section number, and when appropriate, the detail of revenue sources. Delineate between city, county and special district impacts.*

### SUMMARY:

For fiscal years 2014 through 2016, counties would see an estimated \$259,503 reduction in revenues, and cities would see an estimated \$38,776 reduction in revenues. In fiscal year 2017 counties would see a net increase of \$389,747 for counties and \$536,974 for cities. Beginning in fiscal year 2018 and beyond, counties would see an estimated \$1,038,997 increase in revenue annually, and cities would see an estimated \$1,112,724 increase in revenue annually.

### DISCUSSION:

Local jurisdictions would be reimbursed through grants for half the total cost of appointing interpreters. Administrative Office of the Courts (AOC) estimates this amount to be \$1.1 to \$1.35 million per year in fiscal year 2017, as funding would begin January 1, 2017, which is the half-way point in the fiscal year. In fiscal year 2018 and beyond, AOC estimates reimbursements of \$2.2 to \$2.7 million per year. Using an average between AOC's high and low estimates yields estimated cash receipts of \$1,225,000  $(\$1.1M + \$1.35M)/2$  fiscal year 2017, and \$2,450,000  $(\$2.2M + \$2.7M)/2$  for fiscal year 2018 and subsequent years, not including any possible increases in the number of non-English speaking or hearing impaired persons before the courts due to demographic changes. Using AOC's survey data of approximately 75 percent of courts, roughly 53 percent of costs are borne by counties for interpreters, and 47 percent of costs are borne by cities for interpreters, including criminal and civil matters. This yields \$649,250  $(\$1.225M \times 0.53)$  in cash receipts for counties in fiscal year 2017, and \$1,298,500  $(\$2.45M \times 0.53)$  in cash receipts in fiscal year 2018 and subsequent years. Cities would see approximately \$575,750  $(\$1.225M \times 0.47)$  in fiscal year 2017 and \$1,151,500  $(\$2.45M \times 0.47)$  in fiscal year 2018 and subsequent years.

However, local courts currently recover at least \$298,279 annually from non-indigent people requiring an interpreter, according to AOC court survey data, 87 percent of which is recovered by district and superior courts, and 13 percent by municipal courts; applying these percentages to the total amount recovered by local courts yields a loss of revenue \$259,503  $(\$298,279 \times 0.87)$  annually for county courts, and a loss of revenue of \$38,776  $(\$298,279 \times 0.13)$  annually for municipal courts. This amount is applied to the projected revenue increases for fiscal years 2017 and beyond, so that fiscal year 2017 would see an increase in revenue of \$389,747  $(\$649,250 - \$259,503)$  for counties and \$536,974  $(\$575,750 - \$38,776)$  for cities. For fiscal year 2018 and beyond, counties would see a net revenue increase of approximately \$1,038,997  $(\$1,298,500 - \$259,503)$  annually for counties and \$1,112,724  $(\$1,151,500 - \$38,776)$  for cities.

### SOURCES:

Administrative Office of the Courts (AOC) Fiscal Note  
AOC  
AOC court survey data  
Senate Bill Report  
Office of Public Defense  
Association of Washington Cities  
Washington State Court Interpreters and Translators Society  
Washington State Association of Counties  
House Bill Report for HB 1542  
House Judiciary Committee Bill Analysis for HB 1542